

UNCLASSIFIED		RESTRICTED		CONFIDENTIAL		SECRET	
(SENDER WILL CIRCLE CLASSIFICATION TOP AND BOTTOM)							
CENTRAL INTELLIGENCE AGENCY OFFICIAL ROUTING SLIP							
TO		INITIALS	DATE				
1	Chief, FBID						
2							
3							
4							
5							
FROM		INITIALS	DATE				
1	Asst. Director for Operations	SSC	17 May 50				
2							
3							

☐ APPROVAL

☐ INFORMATION

☐ SIGNATURE

☐ ACTION

☐ DIRECT REPLY

☐ RETURN

☐ COMMENT

☐ PREPARATION OF REPLY

☐ DISPATCH

☐ CONCURRENCE

☐ RECOMMENDATION

☐ FILE

REMARKS: I believe a confidential memorandum to Executive, for my signature, embodying last part of paragraph 4 and the gist of paragraphs 5 and 6 with some preamble such as, "It came to my attention during Mr. Frost's recent visit to Washington, etc." might at least stir up some thinking on this subject.

G. G. C.

SECRET	CONFIDENTIAL	RESTRICTED	UNCLASSIFIED
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<div style="display: flex; justify-content: space-between;"> UNCLASSIFIED RESTRICTED CONFIDENTIAL SECRET </div> <small>(SENDER WILL CIRCLE CLASSIFICATION TOP AND BOTTOM)</small>			
CENTRAL INTELLIGENCE AGENCY OFFICIAL ROUTING SLIP			
TO		INITIALS	DATE
1	ADO		
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FROM		INITIALS	DATE
1	Chief, FBID	<i>[Signature]</i>	16 May 50
2			
3			

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REMARKS: *Do you think on the basis of the attached we might try again on small entertainment allowances for Chiefs at Caversham & Cyprus? Would it be well to feel Shannon and informally first?*

SECRET
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FORM NO.

CONFIDENTIAL
THE BRITISH BROADCASTING CORPORATION
Head Office: Broadcasting House, London, W. 1
Caversham Park, Reading, Berks.

At Washington, D. C.
10 May 1950

Colonel L. K. White
F. B. I. S.
2430 E Street, NW
Washington 25, D. C.

Dear Red:

This letter meets your request to supply you with details of the scales on which we reimburse BBC personnel for entertainment.

2 Throughout the Corporation, we rarely pay entertainment allowances but reimburse staff on an actuality basis. In the case of myself, I claim reimbursement for the reasonable entertainment of all visitors to Caversham other than BBC employees. My total for entertainment and hospitality in England would not exceed more than \$300. per year. On top of this, the Corporation provides me with a hospitality cabinet in my office and provides without charge the necessary supplies of liquor. My senior staff are also authorized to claim reimbursement for entertainment, but in principle they are supposed to obtain the authority before incurring expenditure.

3 Abroad, the same principles generally apply, except insofar as there is a restriction on currency. In America, for example, as senior ranking official, I am entitled to a per diem of \$16.00 for which I do not have to account. In addition, over the period of my visit I can claim for hospitality a total additional sum up to \$14.00 per day multiplied by the number of days I am in America. This amount has to include the cost of taxi cabs, etc. and is accountable.

4 In Cyprus, I pay the hotel bills for my liaison officers, inclusion for meals, and they continue to draw full pay. In case of unmarried personnel, we expect that, on this basis, they economize by at least £3 per week over their normal cost of living at their home base and we expect that they will meet minor day-to-day hospitality from their own pocket compensation. In case of married personnel, who probably do not economize if they live away from their families, we pay an additional £3 per week, tax free, to cover the cost of minor hospitality. In the case of subordinate staff, we should rarely consider any actuality

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claims for additional hospitality. Our senior representative in the Island, however, claims additionally for the reasonable entertainment of Cyprus Government officials, his senior American colleagues and other visitors to the station. On this basis he would normally carry an average additional rate of expenditure of £5 or £6 per month.

My impression in the case of your personnel at Cyprus and Caversham is that the main burden of hospitality falls on the Bureau Chief and I doubt whether any hospitality is necessary by his subordinates. In the case of the Bureau Chiefs, however, I feel that they could not possibly perform their duties with efficiency without embarking on at least some entertainment and at the present time I understand that this expenditure is met from their own pockets. We for our part could not possibly expect this from our own people because of the cost of living and the very high taxation on incomes.

For your part, if the salaries of your Bureau Chiefs in Cyprus or Caversham have been fixed at a rate which does not envisage a personal expenditure on entertainment, I consider the overall expenditure of £145 per annum in Caversham and £100 per annum in Cyprus would not be unreasonable.

In considering this matter, I think one must give some consideration to the total expenditure on entertainment of subordinates which would inevitably be incurred by a Bureau Chief or Branch Head and which can obviously not be replaced.

Yours sincerely,